

PUBLIC DISCLOSURE

APRIL 17, 2001

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

BRISTOL COUNTY SAVINGS BANK

35 BROADWAY
TAUNTON, MA 02780

DIVISION OF BANKS
ONE SOUTH STATION
BOSTON, MA 02110

<p>NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires the Division of Banks (Division) to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low and moderate-income neighborhoods, consistent with the safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **BRISTOL COUNTY SAVINGS BANK** prepared by the Massachusetts Division of Banks, the institution's supervisory agency, as of **APRIL 17, 2001**. The Division evaluates performance in the assessment area(s), as they are defined by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The Division rates the CRA performance of an institution consistent with the provisions set forth in 209 CMR 46.00.

INSTITUTION'S CRA RATING: This institution is rated "High Satisfactory"

Bristol County Savings Bank's (BCSB) CRA performance reflects its commitment to meeting the credit needs of its assessment area. The bank's performance for calendar years 1999 and 2000 was based on three tests that determine the bank's overall CRA performance rating. These include the Lending Test, the Investment Test, and the Service Test.

The Lending Test analysis indicates that a high percentage of the bank's residential and small business loans are made within the bank's assessment area. Additionally, the bank's lending to small businesses with gross annual revenues of \$1 million or less as well as loan penetration within major geographies within the assessment area are good and have enhanced the bank's performance resulting in a lending test rating of High Satisfactory.

The Investment Test findings indicate that the bank funds community reinvestment primarily through the provision of donations to qualified non-profit organizations within the assessment area that support affordable housing and community and economic development. The Investment Test is rated Satisfactory.

The Service Test indicates that the bank's retail delivery systems, which consist primarily of branch offices and automated teller machines as well as an Internet web site are convenient and accessible to all segments of the assessment area. BCSB staff and management provide a high level of technical and educational services which have resulted in a rating of Outstanding.

The institution's overall rating of "High Satisfactory" is based upon its good record of ascertaining and helping to meet the credit needs within the entire assessment area in a manner consistent with the bank's resources and capabilities.

LENDING, INVESTMENT, AND SERVICE TEST TABLE

PERFORMANCE TESTS Bristol County Savings Bank			
Performance Levels	Lending Test*	Investment Test	Service Test
Outstanding			X
High Satisfactory	X		
Satisfactory		X	
Needs to Improve			
Substantial Non-Compliance			

*Note: The Lending Test is weighed more heavily than the Service and Investment Tests when arriving at an overall rating.

DESCRIPTION OF INSTITUTION

Bristol County Savings Bank (BCSB), in operation since 1846, is a large mutual savings institution headquartered in Taunton, Massachusetts. The bank is a subsidiary of Beacon Bancorp, which is a one-bank holding company. BCSB owns seven other companies including: Anawon Trust, NA, which is a federally chartered institution with limited powers relating to trust and fiduciary services; four Massachusetts Securities Corporations; a real estate management company; and a marketing company. The foregoing affiliates are not involved in lending. The institution operates seven other full service offices, two limited service offices, and two loan production offices.

The bank faces competition from other institutions that operate within the vicinity. Home Mortgage Disclosure Act (HMDA) data indicates that the bank ranked 8th in market share out of a total of 391 HMDA-reporting mortgage lenders that made loans within the assessment area in 1999. Other competitors within the assessment area's mortgage market include large national and regional lenders such as Countrywide Home Loans, Fleet National Bank, First Federal Savings Bank, Plymouth Savings Bank, and Fleet Mortgage Corporation. Also, the bank experiences strong competition from other bank and non-bank mortgage lenders who operate in the local area.

As of December 31, 2000, the bank had total assets of \$617 million, making BCSB the largest bank based within the assessment area. Since December 31, 1998, assets have grown by 12.4 percent or almost \$68 million. The majority of this growth was in the form of loans. Total loans have grown 18.1 percent or approximately \$56 million since the last CRA examination. This growth was funded largely through the addition of deposits. Deposits grew 12.6 percent or approximately \$53 million for the same time period. Total deposits equaled \$474 million or 76.8 percent of total assets at year-end 2000.

The loan portfolio at year-end 2000 represented \$367.7 million or 59.6 percent of total assets. With respect to lending, the bank is primarily a residential mortgage lender. Loans secured by one-to-four family residential properties, the largest portion of the loan portfolio, represent 54.3 percent of the total loan portfolio. Commercial loans are next with 29.7 percent, followed by nonfarm nonresidential properties with 8.2 percent. Loans secured by multi-family (five or more) units represent 4.0 percent and construction loans and consumer loans represent the remainder with 1.9 percent each. The bank's major loan programs are discussed in more detail under the Lending Test.

The bank received a rating of "Satisfactory" for its last CRA examination, which was conducted by the Federal Deposit Insurance Corporation (FDIC) on March 10, 1999 under the revised large bank examination procedures. The bank's performance was rated "Outstanding" by the Massachusetts Division of Banks during the February 9, 1998 examination.

There are no apparent legal impediments that would negatively impact the bank's ability to meet the assessment area's credit needs. Based upon BCSB's resources, size, product offerings and branch network, its ability to meet community credit needs remains strong.

DESCRIPTION OF ASSESSMENT AREA

Demographic and Economic Data

The bank's assessment area is comprised of the Massachusetts communities of Attleboro, Berkeley, Dighton, Franklin, North Attleboro, Norton, Taunton, Plainville, Raynham, Rehoboth, Seekonk, and Wrentham, and the Rhode Island community of Pawtucket. Attleboro, North Attleboro, Pawtucket, Rehoboth, and Seekonk are located in the Providence-Fall River Metropolitan Statistical Area (MSA). Berkley, Dighton, Franklin, Norton, Plainville, Taunton, and Wrentham are located in the Boston MSA. Raynham is located in the Brockton MSA, which is part of the Boston CMSA.

The bank modified its assessment area in the Spring of 2000 after opening a new full service branch in Franklin, Massachusetts and a loan production office in Providence, Rhode Island. The bank eliminated the communities of Bridgewater, Easton, Lakeville, and Middleboro, Massachusetts and added Franklin, Plainville, and Wrentham, Massachusetts and Pawtucket, Rhode Island.

The assessment area includes a combination of residential, commercial, and industrial areas. Commercial development is more heavily concentrated in the Attleboro, Pawtucket, and Taunton areas with other commercial development spread throughout the remainder of the area. The Myles Standish Industrial Park has been in the process of development in Taunton on Route 138 (and bordering Route 495). The park is entering its fourth phase of development and holds many businesses offering jobs of all levels. To date, an estimated 13,000 jobs have been created providing job opportunities for individuals from Taunton, as well as other surrounding communities. In addition, numerous retail shopping centers have been developed along Route 1 in Attleboro. These shopping centers often have one or two large retail stores serving as the anchor store with additional smaller retail stores in the center. A similar retail center was developed along Route 140 in Taunton that includes stores such as Home Depot, Target, and Circuit City. The development of these retail shopping centers along with the Myles Standish Industrial Park have significantly contributed to the economic growth and stability of Taunton and its surrounding communities.

Residential development is also spread throughout the assessment area. The assessment area contains 109,630 housing units, of which 49.7% are single family dwellings, 30.7% are two to four family dwellings, 16.8% are five or more family properties, and 3.8% are other residential properties or mobile homes. Approximately 59.1% of the housing units are owner occupied.

As housing prices have continued to increase within Massachusetts, particularly in Boston and its surrounding suburbs, more people have moved to the greater Taunton area due to the affordability of the housing. The low real estate prices combined with the easy access to Boston, Providence and other major cities by major road ways and commuter train and bus service have contributed to the growth in the area. As a result, real estate prices within the assessment area have been increasing.

During this examination, various community representatives were contacted to gain information about the assessment area. Community contacts stated that the increasing real estate prices, combined with high closing costs and downpayment requirements, make it increasingly difficult for low and moderate-income families to purchase homes within the area. Often lower income families must purchase older homes that require repair as these homes are often the lower priced homes. Although the lower income families may manage to purchase the homes, they may not have the resources to make the needed repairs. Community representatives identified a need for affordable loan programs with reduced closing costs and flexible downpayment requirements to assist low and moderate-income families. Community representatives also identified a need for flexible loan programs, which would also provide additional funds for new homebuyers to rehabilitate older homes.

The assessment area contains a population of 279,715 with 74,182 families. Approximately 17.9% of the families in the assessment area are low income, 18.8% are moderate income, 27.5% are middle income, and 35.8% are upper income. The assessment area includes 61 census tracts, of which 1 is low income, 15 are moderate income, 33 are middle income, 10 are upper income, and 2 have no income designation. The low-income tract is located in Pawtucket (#0149) and contains 555 households and a median household income of \$8,072. The moderate-income tracts are primarily located in Pawtucket and Taunton with one moderate-income tract located in Attleboro. The middle and upper-income tracts are spread throughout the assessment area. The tracts with no income designation are located in Taunton and Wrentham. The no-income census tracts are included in the following table; however, they were excluded in the analysis when considering the bank's performance. The following table provides various housing and income characteristics for the assessment area.

Table 2 - Selected Housing Characteristics by Income Category of the Geography							
Geographic Income Category	Percentage						Median Home Value
	Census Tracts	House- holds	Housing Units	Owner- Occupied	Rental Units	Vacant Units	
Low	1.6%	0.5%	0.6%	0.0%	1.5%	0.5%	\$112,500
Moderate	24.6%	19.8%	20.5%	9.9%	37.2%	31.1%	\$109,887
Middle	54.1%	59.9%	59.5%	65.2%	50.2%	55.1%	\$145,259
Upper	16.4%	19.8%	19.4%	24.9%	11.1%	13.3%	\$154,114
NA	3.3%	0.0	0.0	0.0	0.0	0.0	0.0
Total or Median	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	\$139,068

Source: U.S. Census

Local, state, or federal government entities have designated several communities as economic target areas within the assessment area. The Greater Taunton area, which includes Taunton, Berkley, Dighton, and Norton, is designated as an economic targeted area. The community of Attleboro is partly designated as an economic target area. Economic targeted areas generally consist of low and moderate-income geographies that have been identified as needing economic incentives, including beneficial tax considerations, for specific development purposes.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The institution's Lending Test performance was rated "High Satisfactory". The institution's lending efforts are rated under seven performance criteria: Lending Activity, Geographic Distribution, Borrower Characteristics, Community Development Lending, Innovative or Flexible Lending Practices, Fair Lending, and Loss of Affordable Housing. The following information details the data compiled and reviewed, as well as conclusions on the bank's performance.

I. Lending Activity

As noted in Table 1, BCSB is an active residential and small business lender. The review of the bank's lending activity included all HMDA reportable loans and business loans reported by the bank pursuant to the CRA. All loan data analyzed covered the period for calendar years 1999 and 2000.

Table 1

Loan Type	Volume of Lending					
	1999		2000		Total	
	#	\$ (000)	#	\$ (000)	#	\$ (000)
HMDA	316	39,437	168	24,148	484	63,585
Small Business	218	21,089	270	27,905	488	48,994
Total	534	60,526	438	52,053	972	112,579

Source: 1999 and 2000 HMDA LAR Data and CRA Loan Portfolio Data provided by the bank

The preceding table indicates that the bank has originated a high level of residential and small business loans. As stated previously in the description of the Institution, the bank's dollar volume of lending indicates an increase of 18.1 percent since year-end 1998. Based on BCSB's size and operating capacity the bank's performance is favorable.

The bank's net loans to total assets, as reported to the Federal Financial Institutions Examination Council (FFIEC) for the last 8 quarterly time periods ending March 31, 1999, through December 31, 2000 were analyzed. Net loans to assets varied from a low of 55.6 percent as of June 30, 1999 to a high of 59.6 percent at year-end 2000. The average net loans to assets for the 8 quarters was 57.5 percent.

The following table displays a comparison of net loan to asset ratios of BCSB and other similar institutions operating in the assessment area.

COMPARATIVE NET LOAN-TO-ASSET RATIOS		
Bank	%	Asset Size (000s)
Bank Rhode Island	70.2	739,420
Plymouth Savings	70.0	1,000,986
Benjamin Franklin Savings	63.9	446,726
Rockland Trust Company	60.6	1,950,924
Bristol County Savings	59.6	617,096
Citizens-Union Savings	55.6	414,312

Source:UBPR & FFIEC data as of 12/31/2000

As the preceding table indicates, BCSB's ratio of 59.6 percent as of December 31, 2000, ranks fifth in net loans-to-assets. The bank's ranking however, does not appear unreasonable when considering its asset size.

HMDA Loans

BCSB originated a substantial majority of its HMDA-reportable loans within the assessment area. The review of the HMDA data included first and second mortgages, refinances, and home improvement loans on one-to-four family properties, and multi-family properties. Total loans originated inside the bank's assessment area constituted 72.9 percent of the total number and 71.1 percent of the total dollar volume. Refer to the following table.

<i>Table 3 – Distribution of Home Mortgage Loans Inside and Outside of the Assessment Area</i>										
Year	Number of Loans					Dollars in Loans (000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$
1999	232	73.4	84	26.6	316	27,904	70.8	11,533	29.2	39,437
2000	121	72.0	47	28.0	168	17,323	71.7	6,825	28.3	24,148
Total	353	72.9	131	27.1	484	45,227	71.1	18,358	28.9	63,585

Source: HMDA\LAR, Cra Wiz

Overall HMDA loan activity for the two-year period declined since the last CRA report of examination. A comparison of total HMDA loan volume for calendar years 1997 and 1998 and the two-year period beginning January 1, 1999 through December 31, 2000 indicates that the volume of loans originated during the examination period decreased by 65.1 percent. This decrease in activity does have an impact of the bank's performance rating.

The increase in competition during 1999 and 2000 had a direct affect on the bank's level of residential lending. The bank made changes in its strategy to respond to industry changes. Competition in mortgage lending, and the resulting decrease in mortgage business resulted in the redirection of assets towards commercial lending as a means of maintaining overall lending levels.

Although not included in the analysis, first quarter HMDA data for 2001 indicates loan volume by comparison to that of first quarter 2000 has increased by 74 percent.

Small Business Loans

A substantial majority of BCSB's small business lending is within the assessment area. BCSB originated business loans totaling \$48,994,000 in 1999 and 2000. The bank originated 80.3 percent of the total number and 77.5 percent of the total dollar volume of small business loans within the assessment area for the period reviewed. Small business loans have remained relatively consistent in terms of the dollar volume. Refer to the following table.

Table 4 – Distribution of Small Business Loans Inside and Outside of the Assessment Area										
Year	Number of Loans					Dollars in Loans (000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	\$
1999	187	85.8	31	14.2	218	16,809	79.7	4,280	20.3	21,089
2000	205	75.9	65	24.1	270	21,147	75.8	6,758	24.2	27,905
Total	392	80.3	96	19.7	488	37,956	77.5	11,038	22.5	48,994

Source: CRA Data Collection

According to 1999 data, the bank's market share of small business loans is approximately 6.43 percent by number of loans and 12.43 percent by dollar volume. Information pertaining to small business lending for other lenders in the assessment area is not available for comparison. However, the information is available by county and can give an indication of how the bank compares to the aggregate. Approximately \$709.5 million in small business loans were originated within Bristol, Norfolk, and Providence Counties. The bank ranked 12th in the three counties with a market share of 2.76 percent by dollar volume of loans. (Market share by number of loans was not considered since the high number of business credit card loans skewed the analysis). The bank's performance is again favorable given the competition with national banks and multi-billion dollar institutions and its operating capacity.

During 1999 and 2000, the bank originated a large majority of its home mortgage and small business loans within its assessment area. The combined total within the assessment area represents 76.6 percent by number and 73.9 percent by dollar volume. Overall, the bank's performance has demonstrated a good level of lending.

As mentioned in the description of the assessment area, the area is diverse in that it contains significant residential, commercial, and industrial development. BCSB has maintained a high level of residential and small business lending within this area. In relation to its size and resources, the bank's residential loan market share is strong. Aggregate data for 1999 indicated that BCSB ranked 8th among 391 mortgage lenders with a market share of approximately 1.76 percent. The bank ranked 6th in dollar volume with a market share of 1.93 percent. All other mortgage lenders with a higher market share were national mortgage companies or multi-billion dollar institutions. The

bank's performance is considered good given its operating capacity and area competition.

The three lenders closest in asset size to BCSB were Bank of Rhode Island, Eastern Bank, and Slades Ferry with similar market share performances of 3.75 percent, 2.87 percent, and 3.29 percent, respectively.

Overall, the bank has demonstrated a solid home mortgage lending and small business lending performance within the assessment area.

II. Geographic Distribution

HMDA Loans

The bank's assessment area is comprised of 61 census tracts; however, two census tracts are anomalies and are not included in this analysis. The following table shows the geographic penetration rate by number within the assessment area for calendar years 1999 and 2000. The distribution by dollar volume was not included in a table as the percentages within the different income areas are comparable to the distribution by number.

Table 5 – Distribution of HMDA Loans by Income Category of the Census Tract								
Census Tract Income Level	% Total Owner- Occupied Housing Units	Aggregate Lending Data 1999	1999		2000		Total	
		% of #	#	%	#	%	#	%
Low	0.0	0.0	0	0.0	0	0.0	0	0.0
Moderate	9.9	10.3	24	10.3	11	9.1	35	9.9
Middle	65.2	63.6	134	57.8	77	63.6	211	59.8
Upper	24.9	26.0	73	31.5	33	27.3	106	30.0
NA	0.0	0.1	1	0.4	0	0.0	1	0.3
Total	100.0	100.0	232	100.0	121	100.0	353	100.0

Source: U.S Census, 1999 and 2000 HMDA \LARs, 1999 HMDA Aggregate Data (12,925 loans)

As the above table indicates, the rate of lending within the assessment area is reasonably proportionate to that of owner-occupied housing units within the moderate, middle, and upper-income census tracts.

A comparative analysis of BCSB's lending to that of other HMDA reporters within the assessment area also indicates that lending in 1999 by the bank and the aggregate is reasonably proportionate to the rate of owner-occupied housing units within the assessment area.

Small Business Loans

As with residential lending, the analysis of the bank's small business lending focuses on the number of loans originated rather than dollar volume.

Table 6 – Distribution of Small Business Loans by Income Category of the Census Tract									
Census Tract Income Level	Total Number of Small Businesses		1999 Aggregate Lending Data (% of #)	1999		2000		Total	
				#	%	#	%	#	%
Low	143	1.4%	0.7	0	0.0	0	0.0	0	0.0
Moderate	1,811	17.4%	13.4	33	17.6	34	16.6	67	17.1
Middle	6,296	60.4%	63.1	100	53.5	121	59.0	221	56.4
Upper	2,162	20.8%	21.5	54	28.9	50	24.4	104	26.5
NA	0	0.0%	1.3	0	0.0	0	0.0	0	0.0
Total	10,412	100.0%	100.0	187	100.0	205	100.0	392	100.0

Source: CRA data collection, CRA Aggregate Lending Data

As indicated in the above table the bank's distribution of small business loans by number is somewhat similar to the distribution of businesses operating within the assessment area, particularly in the moderate-income areas. However, the bank's level of lending within moderate-income geographies in 1999 is slightly higher than the aggregate lenders. The bank's distribution of loans is noticeably lower in middle-income census tracts which is contrary to both the representation of businesses in those tracts, as well as the performance of the aggregate.

BCSB's ability to adequately reach all income census tract categories is largely attributed to its distribution of full service office locations, loan production offices, and its on-road commercial lenders. Small business applicants have the choice of submitting applications at any office location or having a commercial loan individual meet with them at their residence or place of business.

III. Borrower Characteristics

HMDA Loans

The following table shows the breakdown of the bank's HMDA-reportable loans originated by number within its assessment area according to borrower income level. The table also shows the distribution of assessment area households by income level and 1999 aggregate lending by borrower income level. The greatest consideration is given to lending to low and moderate-income borrowers.

Table 7 – Distribution of HMDA Loans by Borrower Income

Median Family Income Level	% Total Households	Aggregate Lending Data (% of #)	1999		2000		Total	
			#	%	#	%	#	%
Low	0.6	5.1	15	6.5	3	2.5	18	5.1
Moderate	19.8	17.7	38	16.4	19	15.7	57	16.1
Middle	59.8	25.8	85	36.6	32	26.4	117	33.1
Upper	19.8	32.7	85	36.6	59	48.8	144	40.8
NA	0.0	18.7	9	3.9	8	6.6	17	4.9
Total	103,057	100.0	232	100.0	121	100.0	353	100.0

Source: U.S. Census, HMDA LAR, HMDA Aggregate Data

The bank's concentration of residential mortgages is among upper and middle-income borrowers. BCSB's lending to moderate-income borrowers is slightly lower than the percentage of moderate-income households within the assessment area but is in line with the aggregate's lending performance in 1999. It is noted however, that the large percentage of loans listed as N/A by the aggregate may have some effect on this comparison. The percentage of loans to borrowers of different income levels has remained relatively stable; however, the number of loans to low-income borrowers has declined noticeably. The bank originated 18 loans in 1997 and 32 loans in 1998 to low-income borrowers. Loans to low-income borrowers dropped considerably in 1999 and 2000 to 15 and 3, respectively. The decline in lending to low-income borrowers is largely attributed to increasing home prices and rising interest rates, which have made homeownership more difficult for low-income borrowers.

Small Business Loans

As shown in table 8, the bank's higher concentration of loans to businesses with revenues of \$1 million or less is reasonable at 58.9 percent. Businesses with unknown revenues represent new start-up businesses or new business ventures. The bank's lending to businesses of unknown revenue size indicates favorable performance as it demonstrates BCSB's willingness to support new business and economic development within the assessment area.

Table 8 – Distribution of Small Business Loans by Gross Annual Revenues of Business

Gross Annual Revenues (000s)	1999		2000		Total	
	#	%	#	%	#	%
<= \$1,000	122	65.2	109	53.2	231	58.9
> \$1,000	59	31.6	84	41.0	143	36.5
NA	6	3.2	12	5.8	18	4.6
Total	187	100.0	205	100.0	392	100.0

Source: 1999 and 2000 CRA Data Collection and CRA aggregate lending data

The following table reflects small business loans by loan size. The majority of small business loans were made for smaller dollar amounts of under \$100,000. The heavier

concentration of smaller dollar loans reflects the bank's commitment to small business lending. It is noted that the aggregate small business lending data includes credit card banks that report credit card loans to small businesses. The credit card loans are contributing to the higher percentage of loans by number within the <\$100M loan category.

Table 9 – Distribution of Small Business Loans by Loan Size							
Loan Size (000s)	Aggregate Lending Data (% of #)	1999		2000		Total	
		#	%	#	%	#	%
< \$100	90.6	138	73.8	141	68.8	279	71.2
\$100 - \$250	5.5	36	19.2	45	22.0	81	20.7
> \$250 - \$1,000	3.9	13	7.0	19	9.2	32	8.1
Total	100.0	187	100.0	205	100.0	392	100.0

Source: 1999 and 2000 CRA Data Collection and CRA aggregate lending data

IV. Community Development Lending

The CRA regulation defines a community development loan as a loan that is made for a community development purpose including affordable housing for low and moderate-income individuals, activities that promote economic development by financing small businesses or farms, or activities that revitalize or stabilize low and moderate-income geographies.

Under the Massachusetts Economic Development Incentive Program, the Economic Assistance Coordinating Council has designated 36 Economic Target Areas, comprising 150 cities and towns throughout Massachusetts. The City of Taunton is classified as an Economic Target Area. A large portion of the City of Taunton is comprised of low and moderate-income residents.

The bank has provided loans to various organizations for community development purposes. The loans available for review included a construction/permanent loan for industrial expansion in Myles Standish Industrial Park in Taunton during 1999, and 2 additional permanent financings, in whole or in part, for additional expansion in this park in 2000 for a total of \$18 million. These projects provided permanent job creation for area residents.

In 2000, a commercial mortgage totaling \$270,000 was provided for the purchase of mobile home units for resale and to upgrade the facilities in a mobile home park in North Attleboro. In addition, a loan was made to a local non-profit organization in 2000 for a \$1.6 million construction/permanent loan for the construction and furnishing of a child care center in the Myles Standish Industrial Park. Additionally, 7 loans to non-profit organizations were made during the two-year period. These loans were reflected in the small business loans and analyzed under lending to businesses of different sizes.

V. Innovative or Flexible Lending Practices

The bank is a participant in programs designed to meet the credit needs of low and moderate-income homebuyers and small businesses. The bank has adequately met these needs with the following innovative or flexible lending activities.

Bristol County Savings Bank offers its own First Time Home Buyers program, which is a 30-year fixed-rate mortgage product with zero points. This product is available with a downpayment of 5.0 percent. The bank will also pay \$500 of the closing costs. The bank originated 131 loans under this program totaling \$17,140,800 in 1999, 79 loans totaling \$11,201,100 in 2000 and 17 loans totaling \$2,529,600 in the first quarter of 2001.

BCSB also participates in the Small Business Administration 7(a) Loan Guaranty/LowDoc Program and the 504 Loan Program. The 7(a) program finances short-term and cyclical working capital of small businesses. The LowDoc reduces the paperwork involved in loan requests of \$150,00 or less. Both programs are geared to start-up and existing small businesses. In 1999 and 2000 the bank originated 18 loans totaling approximately \$2.7 million.

The 504 Loan Program provides long-term financing to small businesses to acquire real estate, machinery or equipment for expansion or modernization through Certified Development Companies. In 1999, the bank originated 4 loans worth approximately \$1.3 million.

VI. Fair Lending Policies and Practices

Bristol County Savings Bank's fair lending policies and practices were reviewed to determine how they relate to the guidelines established by Regulatory Bulletin 2.3-101, the Division's Community Reinvestment and Fair Lending Policy. A thorough review of the public comment file revealed that the bank received no complaints pertaining to the institution's CRA performance since the previous examination. A review of samples of the bank's approved and denied consumer and residential loan application files were conducted to check for fair lending issues. No discriminatory practices were noted.

The bank maintains a General Policy Statement, which briefly addresses fair lending, and a non-discriminatory lending policy that is included in the bank's Community Reinvestment Policy. Employees of the bank undergo fair lending and diversity training each year. The bank is comprised of 189 full and part-time employees, of whom 13 are minorities and 33 are bilingual. The bank also employs three loan originators who are compensated on a commission basis.

Officers and employees of the bank are involved with numerous community organizations, which allow them to better ascertain the needs of the community. The bank's marketing efforts reach individuals of all income levels and effectively covers the entire assessment

area. The institution evaluates both the products it offers and its product mix to help determine whether those products are responsive to the assessment area's needs.

The bank refers all loan customers whose home loan is delinquent to the appropriate credit counseling agency. As indicated in the bank's Loan Policy, prior to a mortgage request being declined, three officers must review it. The bank verifies the accuracy of its HMDA data in order to be consistent in its underwriting standards. Also, an outside compliance consultant regularly performs reviews of mortgages and consumer loans.

MINORITY APPLICATION FLOW

A review of the bank's residential loan applications was conducted in order to determine the number of applications the bank received from minorities. In 1999 and 2000, the bank received 400 residential loan applications from within its assessment area. During this period, 19 applications or 4.8 percent, were received from minorities. Refer to the following table for further details.

MINORITY APPLICATION FLOW*								
RACE	AGGREGATE DATA 1999		BANK 1999		BANK 2000		BANK TOTAL	
	#	%	#	%	#	%	#	%
<i>Native American</i>	40	0.2	0	0.0	1	0.7	1	0.3
<i>Asian</i>	135	0.6	0	0.0	1	0.7	1	0.3
<i>Black</i>	234	1.0	1	0.4	1	0.7	2	0.5
<i>Hispanic</i>	327	1.5	1	0.4	1	0.7	2	0.5
<i>Joint Race</i>	187	0.8	3	1.2	5	3.3	8	2.0
<i>Other</i>	234	1.0	3	1.2	2	1.4	5	1.2
Total Minority	1,157	5.1	8	3.2	11	7.5	19	4.8
<i>White</i>	14,603	64.8	239	94.8	134	90.5	373	93.2
<i>NA</i>	6,768	30.1	5	2.0	3	2.0	8	2.0
Total	22,528	100.0	252	100.0	148	100.0	400	100.0

*Source: PCI Services, Inc., CRA Wiz Software.

The bank's minority application flow for this period was compared with the racial make-up of the assessment area and 1999 aggregate data for all other HMDA reporters within the assessment area. The comparison of this data assists in deriving reasonable expectations for the institution's minority application flow.

According to 1990 Census Data, the bank's assessment area contained a total population of 279,715 individuals of whom 7.1 percent are minorities. In comparison, Bristol County Savings Bank had a minority application flow of 4.8 percent for 1999 and 2000. This falls below the percentage of minorities within the assessment area.

Additionally, aggregate information as shown above indicated that, of the 22,528 HMDA-reportable applications received from other banks within the assessment area in

1999, 5.1 percent were from minorities. The bank received 3.2 percent of its applications from minorities in 1999, which is below that of the aggregate.

VII. Loss of Affordable Housing

The bank's lending programs that include community development and flexible underwriting have assisted low and moderate-income individuals to remain in their neighborhoods.

Conclusion Lending Test

Bristol County Savings has demonstrated a very good responsiveness to community credit needs. A substantial majority of the bank's residential and small business loans are made within the assessment area. The distribution of loans among borrowers of different income levels and businesses of different sizes is also very good. The bank has an established record of helping to serve the credit needs of moderate-income geographies, low and moderate-income borrowers, and businesses with gross annual revenues of \$1 million or less within its assessment area. The bank has granted an adequate level of community development loans. Also, the bank's fair lending performance is satisfactory. Based on the above findings, the institution's lending performance is rated "High Satisfactory".

INVESTMENT TEST

The bank's Investment Test performance is rated "Satisfactory". The CRA regulation defines a qualified investment as a lawful investment, deposit, membership share, or grant that has community development as its primary purpose. Community development includes affordable housing for low- and moderate-income individuals, community services targeted to low- and moderate-income individuals, activities that promote economic development by financing small businesses or small farms, and activities that revitalize or stabilize low- and moderate-income geographies. In recognition of the many legal limitations on bank investments, the CRA regulation allows some reasonable consideration for the entire bank portfolio of qualified investments; not just those made since the previous CRA examination. The following describes the institution's qualified investments.

Grants

The bank has provided contributions totaling \$328,059 in 1999 and \$341,064 in 2000 through its charitable foundation to organizations that offer education and training, shelters, neighborhood revitalization, and human services for those in need. This involvement promotes community development, as defined under the CRA regulation. Non-profit organizations that received grants included Our Daily Bread soup kitchen, Community Care Services, local YMCAs in Taunton and Attleboro, the Boys and Girls Clubs in Taunton and Pawtucket, Girls, Incorporated, the Heart of Taunton, Nature and Me, Taunton Literacy Council, The Pawtucket Foundation, The Weir Corporation, and Pro-Home, Incorporated. Total qualified grants for 1999 and 2000 were over \$265,000 or 39.6 percent of total contributions for 1999 and 2000.

Conclusion Investment Test

Bristol County Savings Bank participates in qualified investments primarily through the provision of grants and charitable donations administered through the bank's charitable foundation and direct contributions. Given the bank's resources and the needs of the assessment area, the bank has a fair level of Investments. However, no investments are considered innovative or complex. The institution exhibits adequate responsiveness to credit and community economic development needs. Therefore the bank's performance under the Investment Test is rated "Satisfactory."

SERVICE TEST

The Service Test evaluates an institution's record of helping to meet the credit needs of its assessment area by analyzing both the availability and effectiveness of an institution's systems for delivering retail banking services and the extent and innovativeness of its community development services. The institution's retail banking services are evaluated pursuant to the following criteria: 1) the distribution of the institution's branches among geographies of different income levels; 2) the record of opening and closing branches, particularly branches located in low and moderate-income geographies or that primarily serve low or moderate-income individuals; 3) the availability and effectiveness of alternate systems for delivering retail banking services; and 4) the range of services provided in low, moderate, middle, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

In addition, the institution's community development services are evaluated pursuant to the following criteria: 1) the extent of community development services offered and used; 2) the innovativeness of community development services, including whether they serve low and moderate-income customers in new ways or serve groups of customers not previously served; 3) the degree to which they serve low and moderate-income areas or individuals; and 4) their responsiveness to available opportunities for community development services. Bristol County Savings Bank's Service performance was determined to be Outstanding.

The bank's systems for delivering retail banking services are readily accessible to geographies and individuals of different income levels within its assessment area. Retail banking services and products appear to offer consumers the flexibility and convenience expected from an institution of this size. In addition, officers and employees of Bristol County Savings Bank have demonstrated an Outstanding level of involvement in community organizations located throughout its assessment area and have provided a high level of service activity in response to community needs. The following details the institution's services.

RETAIL BANKING SERVICES

Distribution of Branches

Bristol County Savings Bank operates eight full service offices, two limited service branch offices, and two loan production offices. The main office is headquartered in downtown Taunton, which is designated as a moderate-income census tract. Four of the full service offices are located in middle-income census tracts. These branch locations include Taunton (1), Raynham (2), and Franklin (1). The remaining three full service branches are located in upper-income census tracts in Rehoboth, Attleboro, and North Attleboro. Although the Taunton branch office and the Attleboro branch office are located in middle and upper-income census tracts, respectively, both are adjacent to moderate-income census tracts. Based on the dispersion of branch offices, low and moderate-income

individuals have reasonable access to deposit and loan related services offered by Bristol County Savings Bank.

Limited service branch offices are also maintained at Attleboro High School and Taunton High School. The school branches, staffed by students, are limited to school personnel, and only operate during the school year from Monday through Friday, during lunch period. The high school branches are set up as educational centers for students to achieve practical vocational banking experiences. Students perform all banking operations under the supervision of bank personnel.

The bank also maintains loan production offices in a moderate-income census tract in Taunton, Massachusetts and in a middle-income census tract in Providence, Rhode Island.

The bank's hours of operation are reasonable and compare favorably with other local financial institutions. All full service offices are open on Saturday and offer extended hours during the week. Drive-up window service is also available at each office location.

Consumer and home equity loans and lines of credit applications are taken at all offices. Branch personnel refer all applicants applying for a home purchase loan or refinance loan to the bank's loan originators who will either meet at a location convenient to the applicants, or at one of the loan production offices.

The bank employs 33 bilingual individuals. Second languages spoken include Portuguese, Cambodian, Spanish, and German.

Record of Opening and Closing Branches

A Branch Closing Policy is maintained by the bank and reviewed and approved by the Board on an annual basis. This policy outlines procedures to be followed should the decision be made to relocate or close an office. No offices have closed since the previous FDIC examination dated March 10, 1999; however, Bristol County Savings Bank has added one branch office and a loan production office since the prior examination.

In May 2000, Bristol County Savings Bank opened a branch office located at 305 West Central Street, Franklin, Massachusetts, a middle-income census tract. In February, 2000, the bank opened a loan production office located at 20 Westminster Street in Providence, Rhode Island, in an effort to increase lending activity in Rhode Island. Although the loan production office in Providence, Rhode Island is located in a middle income census tract, it borders two low-income census tracts and three moderate-income census tracts.

Alternative Retail Banking Services

Each full service office maintains 24-hour automated teller machine (ATM) service. ATM cards are available for use at all Cirrus and NYCE network ATMs. Bristol County Savings Bank is also a member of the SUM alliance; however, Bristol County Savings Bank

customers who use non-Bristol County Savings Bank SUM ATMs are assessed a \$1.00 interchange fee by Bristol County Savings Bank.

Bank customers have telephone access to account information through the bank's automated telephone banking system, BankLINE. By utilizing the telephone banking system, customers can access their accounts, obtain balance inquiries, transfer funds from one account to another, and obtain current interest rate information. This service is available to all customers 24 hours a day, 7 days a week.

In addition to the above delivery systems, the bank offers bank by mail, which enables bank customers to complete banking transactions through the mail. The bank's web site, www.bristolcountysavings.com, provides information about the bank's deposit services and credit products. The site also provides general banking information including branch locations and business hours. Bristol County Savings Bank's delivery systems are accessible to essentially all segments of the assessment area.

Bristol County Savings Bank maintains a commercial online banking product called Business Express. Business customers can access account information through the internet at any time, make funds and wire transfers, verify deposits and transfers, view daily account balances, examine check detail, receive detail of posted transactions, send stop payment requests and export information into their accounting package for quick reconciliation.

Other Retail Services

As a participant in Massachusetts Community and Banking Council's (MCBC) Basic Banking Program, Bristol County Savings Bank offers low cost savings and checking accounts to all segments of its assessment area, including those with modest incomes. Per MCBC guidelines, the bank offers a Basic Checking account, which features a flat \$2.50 monthly fee and 8 free withdrawals with no minimum balance requirement. Bristol County Savings Bank also offers a personal checking account that requires a \$200.00 minimum balance to avoid monthly maintenance charges, unlimited check writing, and unlimited ATM transactions.

The bank also participates in the Commonwealth of Massachusetts' educational program "Savings Makes Cents" with five area elementary schools located throughout its assessment area. Two of the schools are located in low and moderate-income areas. Management's goal is to educate the students on the basics of money management.

Attorneys and law firms maintain Interest On Lawyers Trust Accounts (IOLTA) at BCSB with total deposits of \$1,130,862 and \$1,460,274 for 1999 and 2000, respectively. These accounts are established for the short term holding of clients' funds. Interest earned on these accounts is remitted to the IOLTA committee, which distributes funds to local charities to provide low or no cost legal services to low-income individuals.

COMMUNITY DEVELOPMENT SERVICES

The CRA regulation defines a community development service as a service that is primarily for a community development purpose and is related to the provision of financial services. Bristol County Savings Bank's officers and employees are involved with community organizations that address economic and affordable housing development. Through these involvements, the bank's staff lends their technical expertise, experience, and judgment to these organizations. Detailed below are some of Bristol County Savings Bank's qualified community development services.

The bank's President and two Vice Presidents are board members of **FAIR (Friends of Attleboro Interested in Revitalization)**, which promotes downtown activities in the City of Attleboro, an area targeted for revitalization.

The bank's President is also a member of the **Economic Development Advisory Committee** for the City of Taunton, **Taunton Development Corporation**, and the **Southeastern Massachusetts Manufacturing Partnership**.

The bank's Executive Vice President & Treasurer is on the board and serves as treasurer of the **Heart of Taunton**, an organization concerned with downtown revitalization. This group encourages businesses to locate in the area. A Vice President is a volunteer for this group, and the bank's Business Development Officer is also a member.

The bank's Executive Vice President & Treasurer is also a member of the board of directors and serves as treasurer of the **Community Care Services, Inc.** This non-profit human service agency provides a comprehensive range of counseling, educational and community living services to children, adults and families living in southeastern Massachusetts. Community Care Services operates an outpatient clinic in Taunton and Attleboro that offers mental health, substance abuse, and behavioral health care. Clients that meet income guidelines qualify for funding and reduced fees for outpatient care.

An Assistant Vice President of Commercial Lending is a loan committee member & voting board member of the **Weir Corporation**. This organization was established to revitalize this blighted area, which is located in a moderate-income census tract in the City of Taunton.

Bristol County Savings Bank's Senior Vice President & Senior Loan Officer is a board member and sits on the Venture Capital Committee of **SEED (Southeastern Economic Development Corporation)**. This non-profit, SBA certified corporation, is dedicated to improving the economy of southeastern Massachusetts by assisting small businesses to start-up, expand and create new jobs. SEED provides technical assistance and loans for small businesses that cannot obtain the entire financing they need from banks or other private source. Two Vice Presidents of Commercial Lending and an Assistant Vice President of Commercial Lending are also members of SEED.

The bank's Senior Vice President & Senior Loan Officer is also the treasurer of **Community Partnerships, Inc.** This organization assists people with disabilities and chronic illnesses, including alcoholism and drug addiction. A majority of the individuals served by this organization are largely dependent on government benefits.

As President and Treasurer of **Pro-Homes, Inc.** the bank's Vice President of Residential Lending presides at all meetings and is responsible for all financial reporting of this corporation. Pro-Homes, Inc. is a private, non-profit corporation concerned with the production and protection of affordable housing in the City of Taunton.

The bank's President and several officers and employees of Bristol County Savings Bank are also actively involved with the **United Way of Greater Attleboro.** This organization helps fund numerous agencies that assist at-risk populations, address health care and independent living, support youth and character building, and provide mental wellness. Several Officers and employees of Bristol County Savings Bank volunteer their time and services to the United Way, and serve on several committees, including the Allocations Committee, Personnel Committee, Appropriations Committee, Admissions Committee, and the Planning Committee. In addition, the bank continues to provide Loaned Executives for approximately three months to the United Way. Loaned Executives provide expertise for the United Way campaign by working with company campaign coordinators while fine-tuning marketing, public speaking, organizational and leadership skills.

In addition to the above noted organizations, the bank is also actively involved in Chambers of Commerce and the Rotary Club in several communities within its assessment area. Bank management is also actively involved in fundraising for several **YMCA's** in the area. Other organizations that officers and employees lend their technical expertise to include **Route 44 Business Association, Pawtucket Redevelopment Agency, Pawtucket Local & Commercial Development Corporation, Boys & Girls Club, Salvation Army, Raynham Food Basket, Inc., New Hope, Inc., New Bedford Economic Development Council, Attleboro Enterprises, Inc., Downtown Attleboro Associates,** and several other civic, charitable, religious and fraternal organizations located throughout the assessment area.

Educational Services and Seminars

Bristol County Savings Bank has sponsored a total of six homebuyer seminars in 1999 and 2000. The seminars, which highlight the various aspects of the home buying process, were held at the bank's loan production office in Taunton and its branch office in North Attleboro. Guest Speakers included attorneys, realtors, representatives from credit reporting companies, mortgage originators from the bank, and representatives from private mortgage insurance companies.

In addition, various employees of the mortgage department have participated in outreach presentations and homebuyer seminars provided by Pro-Home, Inc. The outreach presentations are to inform and educate the participants on the importance of good credit,

on how to become a homeowner, and on the process of obtaining a mortgage. Three presentations were conducted in 1999 and seven were conducted in 2000. The homebuyer seminars are approved by Massachusetts Housing Finance Agency (MHFA) and consist of three classes in which graduates receive a certificate of completion. Bank employees participated in one series each conducted in 1999 and 2000.

Conclusion Service Test

As depicted above, Bristol County Savings Bank's systems for delivering retail banking services are accessible to geographies and individuals of different income levels in its assessment area. The bank's officers and employees have provided a relatively high level of service activities and involvement in community organizations primarily for community development purposes and related to the provision of financial services. Many of the organizations that bank management and employees have taken a leadership role in promote economic development or target the revitalization of business communities. Bank management and staff have sponsored and participated in numerous educational seminars. Therefore, Bristol County Savings Bank's service activities receive a rating of Outstanding.

METROPOLITAN AREAS

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE BOSTON CMSA:

The Boston Consolidated Metropolitan Statistical Area (CMSA) includes parts of the Boston and Brockton PMSAs. The towns located within the Boston CMSA are identified in Table 22. Table 23 identifies the number of census tracts located within the Boston CMSA portion of the bank's assessment area. As noted in Table 23, there are 24 census tracts located in this portion of the bank's assessment area. Those tracts represent 39.3 percent of the total census tracts within the institution's assessment area.

Table 22 – Town and Branch Locations by PMSAs	
BOSTON PMSA #1120	BROCKTON PMSA #1200
Berkley	Raynham (2)
Dighton	
Franklin (1)	
Norton	
Plainville	
Taunton (2)	
Wrentham	

() Denotes number of full service branch locations

Table 23 – Percentage of Census Tracts by Income Level by MSA						
Census Tract Income Level	BOSTON MSA		BROCKTON MSA		BOSTON CMSA TOTAL	
	#	%	#	%	#	%
<i>Low</i>	0	0.0	0	0.0	0	0.0
<i>Moderate</i>	5	22.7	0	0.0	5	20.8
<i>Middle</i>	14	63.6	2	100.0	16	66.7
<i>Upper</i>	1	4.6	0	0.0	1	4.2
<i>NA</i>	2	9.1	0	0.0	2	8.3
Total	22	100.0	2	100.0	24	100.0

Source: U.S. Census Data

Note: The two no-income designated census tracts located in the Boston MSA have no significant population and are excluded from the analysis.

As detailed above, the Boston CMSA portion of the bank's assessment has no low-income census tracts and 5 moderate-income census tracts. The 5 moderate-income census tracts, all located in the City of Taunton, represent a third of the moderate-income census tracts in the bank's assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE BOSTON CMSA:

<i>Table 24 – Volume of Lending in the Boston-MA CMSA</i>								
<i>Loan Type</i>	<i>1999</i>		<i>2000</i>		<i>Total</i>			
	<i>#</i>	<i>\$ (000s)</i>	<i>#</i>	<i>\$ (000s)</i>	<i>#</i>	<i>% of AA Volume</i>	<i>\$ (000s)</i>	<i>% of AA Volume</i>
<i>HMDA</i>	138	15,406	64	8,440	202	27.1	23,846	29.2
<i>Small Business</i>	70	4,768	84	8,334	154	20.7	13,102	16.0
<i>Total</i>	208	20,174	148	16,774	356	47.8	36,948	45.2

Source: HMDA and CRA data, and HMDA Loan data provided by the bank for 1999 and 2000

As previously stated, the Boston CMSA contains 39.3 percent of the total assessment area's census tracts. The bank's lending among borrowers of different income levels for the Boston CMSA reflects the bank's solid performance as discussed in the lending test section of this evaluation.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE PROVIDENCE-FALL RIVER-WARWICK RI-MA MSA:

The Providence-Fall River-Warwick MSA portion of the bank's assessment area includes the cities and towns of Attleboro, North Attleboro, Rehoboth, Seekonk in Massachusetts and the city of Pawtucket in Rhode Island. As noted in Table 25, these municipalities are comprised of 37 census tracts. These tracts represent 60.7 percent of the 61 census tracts that comprise the bank's assessment area. BCSB operates 3 full service branch offices in upper-income census tracts located in Attleboro, North Attleboro and Rehoboth.

Table 25 – Providence-Fall River-Warwick RI-MA MSA Population Statistics						
Census Tract Income Level	# of Census Tracts	%	Population		Households	
			#	%	#	%
Low	1	2.7	683	0.2	555	0.5
Moderate	10	27.0	29,476	10.5	11,918	11.6
Middle	17	46.0	72,568	25.9	28,585	27.7
Upper	9	24.3	55,184	19.7	19,273	18.7
Totals	37	100.0	157,911	56.5	60,331	58.5

Source: 1990 U.S. Census Data

As shown in the above table a slight majority of the population and households reside in this portion of the assessment area. With the addition of the City of Pawtucket this segment of the assessment area's population went from 85,123 individuals to 157,911 and total households increased by 29,659. There are currently 11,918 households residing in the moderate-income census tracts alone. The majority of these tracts (9) are located in the City of Pawtucket. The one low-income census tract has the least average population and number of households.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE PROVIDENCE-FALL RIVER-WARWICK RI-MA MSA:

Table 26 depicts the volume of lending within the Providence-Fall River-Warwick MSA as a percentage of the total lending within the bank's assessment area (AA in the table below).

Table 26 – Volume of Lending in the Providence-Fall River-Warwick RI-MA MSA								
Loan Type	1999		2000		Total			
	#	\$ (000s)	#	\$ (000s)	#	% of AA Volume	\$ (000s)	% of AA Volume
<i>HMDA</i>	94	12,498	57	8,883	151	20.3	21,381	26.1
<i>Small Business</i>	117	10,635	121	12,813	238	31.9	23,448	28.7
Total	211	23,133	178	21,696	389	52.2	44,829	54.8

Source: HMDA and CRA data, and Consumer Loan data provided by the bank for 1999 and 2000

As noted in Table 26, BCSB originated 52.2 percent of the total number and 54.8 percent by dollar volume of the HMDA and small business loans within the Providence-Fall River-Warwick MSA portion of the assessment area. It is noted that the City of Pawtucket was added since the last CRA examination dated March 10, 1999. It is further noted that loan activity increased in this area since the last CRA examination.

The addition of Pawtucket brought 9 additional moderate-income census tract to this part of the assessment area. Lending in the middle-income census tracts is 46.2 percent by number and 48.0 percent by dollar volume and lending in the upper-income census tracts is 49.2 percent by number and 40.6 percent by dollar volume. The bank's geographic distribution within the Providence MSA portion of the bank's assessment is reasonable.

APPENDIX A

SCOPE OF EXAMINATION

Bristol County Savings Bank

The examination included an on-site analysis of all HMDA-reportable loans and CRA reportable small business loans originated between January 1, 1999 and December 31, 2000. Residential aggregate loan data was reviewed during the examination and included comparative loan data between competing institutions. Bristol County Savings Bank has one assessment area, which was reviewed using the large bank examination procedures.

THE COMMONWEALTH OF MASSACHUSETTS

To the COMMISSIONER OF BANKS:

THIS IS TO CERTIFY, that the report of examination of the

BRISTOL COUNTY SAVINGS BANK

For compliance with applicable consumer and fair lending rules and regulations and the Community Reinvestment Act (CRA), as of the close of business **APRIL 17, 2001**, has been read to or by the undersigned and the matters referred to therein will have our immediate attention.

A majority of the Board of Directors/Trustees

Dated at _____ this _____ day of _____ 20 _____

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (Address at main office)."

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that area shall also include the address of the designated office for that assessment area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.

